

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **September 14, 2004**

AGENDA ITEM NO.: 16

CONSENT:

REGULAR: **X**

CLOSED SESSION:
(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **FY 2004 Carry Forward**

RECOMMENDATION: Hold a public hearing and adopt an ordinance:

1. Amending the FY 2005 Operating Budget and appropriating funds to reflect the carry forward of unexpended funds in FY 2004 as noted below; and,
2. Budget and appropriate grant funds in the amount of \$101,276 for new grants.

SUMMARY: The following funds are amended to reflect the carry forward of unexpended funds in FY 2004:

	<u>Adopted FY 2005</u>	<u>Recommended Carry Forward</u>	<u>Amended FY 2005</u>
General Fund			
Operations	\$81,817,784	\$606,026	\$82,423,810
Transfers To/From	2,774,600	322,911	3,097,511
Other Funds			
Debt Service	10,972,765	0	10,972,765
Schools-Operations	29,027,293	0	29,027,293
Reserve for Economic Development	200,000	0	200,000
Reserve for Downtown Development	0	45,146	45,146
Reserve for Snow Removal, Streets and Bridges	250,000	0	250,000
Reserve for Contingencies	800,000	400,000	1,200,000
Capital Improvements	<u>1,626,835</u>	<u>0</u>	<u>1,626,835</u>
Total	\$127,469,277	\$1,374,083	\$128,843,360
Water Fund			
Operations	\$6,133,491	\$40,620	\$6,174,111
Debt Service	2,701,954	0	2,701,954
Capital Outlay	20,000	0	20,000
Transfers	<u>994,000</u>	<u>0</u>	<u>994,000</u>
Total	\$9,849,445	\$40,620	\$9,890,065
Sewer Fund			
Operations	\$6,416,598	\$125,815	\$6,542,413
Debt Service	6,509,525	0	6,509,525
Capital Outlay	55,000	40,000	95,000
Transfers	1,120,000	0	1,120,000
Addition to Fund Balance	<u>1,014,969</u>	<u>0</u>	<u>1,014,969</u>
Total	\$15,116,092	\$165,815	\$15,281,907

	Adopted FY 2005	Recommended Carry Forward	Amended FY 2005
Asset Forfeiture Fund			
Operations	\$ 24,333	\$163,228	\$ 187,561
Ending Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$ 24,333	\$163,228	\$ 187,561
Community Development Block Grant			
Operations	\$1,199,506	\$85,000	\$1,284,506
Ending Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$1,199,506	\$85,000	\$1,284,506
Regional Juvenile Detention Center			
Operations	\$2,408,850	\$ 29,153	\$2,438,003
Debt Service	270,227	0	270,227
Reserve for Contingencies	16,117	0	16,117
Ending Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$2,695,194	\$29,153	\$2,724,347
Technology Fund			
Operations	\$475,000	\$464,026	\$ 939,026
Capital Outlay	100,000	0	100,000
Ending Balance	<u>465,743</u>	<u>0</u>	<u>465,743</u>
Total	\$1,040,743	\$464,026	\$1,504,769
City/Federal/State Aid Fund			
Operations	\$3,291,818	\$101,276	\$ 3,393,094
Ending Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$3,291,818	\$101,276	\$ 3,393,094
City Capital Projects Fund			
Buildings	\$1,718,368	\$ 99,000	\$1,817,368
Transportation	5,549,579	0	5,549,579
Economic Development	1,430,707	0	1,430,707
Parks and Recreation	1,169,001	0	1,169,001
Transfer from FY 2004 Capital Improvement Program – Telephone Replacement Project	<u></u>	<u>(145,489)</u>	<u>(145,489)</u>
Total	\$9,867,655	\$ (46,489)	\$9,821,166

Details of these adjustments can be found on Attachment A.

Council is requested to appropriate \$101,276 to the City/Federal/State Aid Fund for new grants.

In an effort to reduce the number of budgeted funds, staff recommends closing the Donations Fund. The remaining balance is requested to be transferred to the appropriate department in the General Fund.

Finally, Council policy requires a minimum Undesignated General Fund Balance of 7% of General Fund revenues, with a targeted goal equal to 10% of General Fund revenues. Fund Balance is projected to be \$16.1 million or 12.6% of General Fund revenues as of June 30, 2004.

PRIOR ACTION(S): Finance Committee September 7, 2004

BUDGET IMPACT: As noted above

CONTACT(S): Donna Witt, Assistant Director for Financial Services, 455-3968
Michael Hill, Director for Financial Services, 455-4219

ATTACHMENT(S): Details of FY 2004 Carry forward Ordinance amending the budget and appropriating funds from FY 2004 fund balances; and appropriating new grant funds to the City/Federal/State Aid Fund.

REVIEWED BY: lkp

BE IT ORDAINED That the FY 2005 Budget be amended and funds be appropriated to reflect the carry forward of FY 2004 appropriations that were unexpended as of June 30, 2004 in the General, Water, Sewer, Asset Forfeiture, Community Development Block Grant, Regional Juvenile Detention Center, Technology, City/Federal/State Aid, and City Capital Projects Funds as follows:

	<u>Adopted FY 2005</u>	<u>Recommended Carry Forward</u>	<u>Amended FY 2005</u>
General Fund			
Operations	\$81,817,784	\$606,026	\$82,423,810
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	Adopted FY 2005	Recommended Carry Forward	Amended FY 2005
Community Development Block Grant			
Operations	\$1,199,506	\$85,000	\$1,284,506
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Parks and Recreation	1,169,001	0	1,169,001
Transfer from FY 2004 Capital Improvement Program – Telephone Replacement Project		(145,489)	(145,489)
Total	\$9,867,655	\$ (46,489)	\$9,821,166

BE IT FURTHER ORDAINED That the funds shall be used as identified in Attachment A;

BE IT FURTHER ORDAINED That City Council budget and appropriate \$101,276 to the City/Federal/State Aid Fund for new grants.

Introduced:

Adopted:

Certified:

Clerk of Council

FY 2004 Carry Forward Requests				Attachment A			
	NEW INITIATIVES	FY 2004 APPROPRIATIONS	TOTAL				
GENERAL FUND							
Council/City Manager		7,950	7,950	Citizen's Survey			
Public Works/Streets Maintenance		20,350	20,350	To be used as partial-matching funds for a grant to the Daniel's Hill neighborhood historical work. This grant will be used to remove asphalt from Cabell Street to expose the Belgium Block underneath. City Local Match is \$82,257. \$20,650 was paid from the FY 2004 Streets Operating Budget. With this carry forward request, an additional \$41,257 will need to be funded from the FY 2005 Streets Operating Budget.			
FY 2004 General Fund Reserve for Contingencies		400,000	400,000	To be added to FY 2005 Reserve for Contingencies to comply with Council target of \$1.2 million Reserve for Contingencies:\$50,000 dedicated to the City Manager's Discretionary Fund.			
James T. Davis Lofts Reserve		45,146	45,146	Appropriate funding to fully reserve payment due for lofts.			
Information Technology (IT)		32,100	32,100	Funding for the Imaging project for City Attorney, Human Resources and Fire. The project was delayed due to staff turnover but is ready to be initiated if funds are approved.			
Information Technology		23,680	23,680	Funds are from FY 2003 carry forward and are designated for the CAFR and other governmental reporting work to continue.			
Information Technology		54,200	54,200	Funding for replacement of the Personal Property and Business Personal Property Tax Systems. The RFP responses from interested companies were received on August 6, 2004.			
Information Technology		80,655	80,655	Funding for implementation of the Mobile Trak module of TrakIT software. Implementation was not completed in FY 2004 due to delays and transition in Building Official position.			

	NEW INITIATIVES	FY 2004 APPROPRIATIONS	TOTAL					
GENERAL FUND								
Information Technology		6,500	6,500	Implementation of the Delinquent Collections module of the Utility Billing System. Other projects took priority over this in FY 2004 but plan to implement in FY 2005.				
Economic Development	6,500		6,500	Update the Enterprise Zone brochure and Lynchburg marketing booklet. The last printing was in 1999.				
Economic Development	7,000		7,000	New furniture for the reception area in the Bank of the James Building.				
Finance/Director		7,000	7,000	Continuation of the development of a long-term strategic plan for the Financial Services Department.				
Finance/Accounting		10,000	10,000	Funding for implementation of Project Grant Accounting in the City/Federal/State Aid Fund for grants and also for custom reports for Public Works. Funding for implementation of PGA in the Enterprise Funds will be requested in the FY 2006 Budget.				
Parks and Recreation	14,231		14,231	Purchase minor equipment for the Templeton Senior Center. This was not budgeted for FY 2005.				
Communications and Marketing	3,183	1,286	4,469	\$ 1,286 Balance on the website funding to be used for additional assistance as needed. \$3,183 in remaining balances in C & M budget requested for additional website contractual work if needed.				
Public Works/Engineering	9,500		9,500	Phase II Storm water committee recommends the development and printing of a "Watershed Booklet" to meet the Minimum Measures 1 and 2 of the Phase II mandates for public awareness and participation.				
Public Works/Engineering		85,000	85,000	Strategic plan for GIS money will be used to hire a consultant to prepare an in-depth plan for the City to use to better develop GIS for Lynchburg.				
Community Planning and Development		100,000	100,000	Continuation of the Demolition and Spot Blight Programs.				

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	NEW INITIATIVES	FY 2004 APPROPRIATIONS	TOTAL					
Water Fund		40,620	40,620	Remaining unencumbered balance of meter program				
Sewer Fund		125,815	125,815	Balance of James River Interceptor maintenance				
		40,000	40,000	Heavy equipment for sewer line maintenance				
				TV Inspection camera and Vacuum System for a				
				combination jet and TV truck. Budgeted in FY 2004				
				and haven't finished research to purchase to meet				
				division needs.				
Total Sewer Fund			165,815					
Asset Forfeiture Fund								
Commonwealth's Attorney	73,875		73,875	State Asset Forfeiture funds received by City				
Police	89,353		89,353	departments during FY 2004. These funds must				
				be appropriated in FY 2005 to be spent. Funds are				
				split between Police and Commonwealth Attorney.				
Total Asset Forfeiture Fund			163,228					
Community Development Block Grant Fund (CDBG)		85,000	85,000	\$85,000 of CDBG funds were drawn and sent to				
				Lynchburg Redevelopment Housing Authority (LRHA)				
				to purchase property to rehabilitate. The funds were				
				held in an escrow account by the court during				
				deliberations with the property owner. Possession of				
				the property by LRHA fell through, and the funds were				
				returned to the City. Department of Housing and Urban				
				Development (HUD) required that the funds be				
				wired back to HUD, and once received, HUD will				
				reinstate \$85,000 in CDBG Entitlement funds to the				
				City. Since the \$85,000 was appropriated and				
				expended in prior fiscal years, an additional				
				appropriation is required on the City's books.				
Regional Juvenile Detention Center		29,153	29,153	United States Department of Agriculture (USDA) Funds				
				were not fully expended in FY 2004 and				
				need to be appropriated in FY 2005 to be spent.				

[illegible]

	NEW	FY 2004						
	INITIATIVES	APPROPRIATIONS	TOTAL					
City Capital Projects Fund								
Transfer from the General Fund	99,000		99,000	Lease savings from the Human Services Building				
				to be designated for future major building repairs.				
Transfer to Technology Fund		(145,489)	(145,489)	To transfer the balance of the Telephone System project				
				back to the Technology Fund where it was originally				
				funded from.				
Total City Capital Projects Fund			(46,489)					

FY 2004 Carry Forward Requests that were not Recommended for Funding												
GENERAL FUND												
					REQUESTED							
Public Works/Street Maintenance					38,700		Funding for two wage positions to replace two PWA positions that were not approved in the budget process. These positions will be funded in FY 2005 with departmental funds.					
Finance/Accounting					27,345		\$10,000 was recommended to be carried forward for the implementation of Project Grant Accounting in the City/Federal/State Aid Fund and for grants in the General Fund.					
Finance/Accounting					14,500		Ongoing NWS programming and support services. Funding is already budgeted in FY 2005.					
Parks and Recreation					863		Invoice not received in FY 2004 for summer insert in the News & Advance. This expense can be absorbed in FY 2005.					
Museum System					1,300		Invoice for Copier Contract not received in FY 2004. This expense can be absorbed in FY 2005.					
Registrar's Office					5,954		The balance of the FY 2004 Budget for the Registrar and the Electoral Board was requested to be carried forward to meet any additional expenses that may have been overlooked in the budget process for the presidential election. These departments will be reviewed at FY 2005 Third Quarter to see if additional funding is needed.					
Community Planning and Development					200,000		\$100,000 was recommended to be carried forward to keep the budget for Demolition and Spot Blight programs at level funding.					
Human Resources/Occupational Health					5,000		Invoices for lab fees and physical exams that were preformed in FY 2004 were not received. These expenses can be absorbed in FY 2005.					
ALL CARRY FORWARD REQUESTS FOR OTHER FUNDS WERE RECOMMENDED FOR FUNDING												